

105TH CONGRESS
2D SESSION

H. R. 4607

To extend trade authorities procedures with respect to reciprocal trade agreements, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 23, 1998

Mr. BOSWELL introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To extend trade authorities procedures with respect to reciprocal trade agreements, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **TITLE I—TRADE AUTHORITIES**
4 **PROCEDURES**

5 **SEC. 101. SHORT TITLE.**

6 This title may be cited as the “Reciprocal Trade
7 Agreement Authorities Act of 1998”.

1 **SEC. 102. TRADE NEGOTIATING OBJECTIVES.**

2 (a) OVERALL TRADE NEGOTIATING OBJECTIVES.—

3 The overall trade negotiating objectives of the United
4 States for agreements subject to the provisions of section
5 103 are—

6 (1) to obtain more open, equitable, and recip-
7 rocal market access;

8 (2) to obtain the reduction or elimination of
9 barriers and distortions that are directly related to
10 trade and that decrease market opportunities for
11 United States exports or otherwise distort United
12 States trade;

13 (3) to further strengthen the system of inter-
14 national trading disciplines and procedures, includ-
15 ing dispute settlement; and

16 (4) to foster economic growth, raise living
17 standards, and promote full employment in the
18 United States and to enhance the global economy.

19 (b) PRINCIPAL TRADE NEGOTIATING OBJECTIVES.—

20 (1) TRADE BARRIERS AND DISTORTIONS.—The
21 principal negotiating objectives of the United States
22 regarding trade barriers and other trade distortions
23 are—

24 (A) to expand competitive market opportu-
25 nities for United States exports and to obtain
26 fairer and more open conditions of trade by re-

1 ducing or eliminating tariff and nontariff bar-
2 riers and policies and practices of foreign gov-
3 ernments directly related to trade that decrease
4 market opportunities for United States exports
5 or otherwise distort United States trade; and

6 (B) to obtain reciprocal tariff and non-
7 tariff barrier elimination agreements, with par-
8 ticular attention to those tariff categories cov-
9 ered in section 111(b) of the Uruguay Round
10 Agreements Act (19 U.S.C. 3521(b)).

11 (2) TRADE IN SERVICES.—The principal nego-
12 tiating objective of the United States regarding
13 trade in services is to reduce or eliminate barriers to
14 international trade in services, including regulatory
15 and other barriers that deny national treatment or
16 unreasonably restrict the establishment or operations
17 of service suppliers.

18 (3) FOREIGN INVESTMENT.—The principal ne-
19 gotiating objective of the United States regarding
20 foreign investment is to reduce or eliminate artificial
21 or trade-distorting barriers to trade related foreign
22 investment by—

23 (A) reducing or eliminating exceptions to
24 the principle of national treatment;

1 (B) freeing the transfer of funds relating
2 to investments;

3 (C) reducing or eliminating performance
4 requirements and other unreasonable barriers
5 to the establishment and operation of invest-
6 ments;

7 (D) seeking to establish standards for ex-
8 propriation and compensation for expropriation,
9 consistent with United States legal principles
10 and practice; and

11 (E) providing meaningful procedures for
12 resolving investment disputes.

13 (4) TRANSPARENCY.—The principal negotiating
14 objective of the United States with respect to trans-
15 parency is to obtain broader application of the prin-
16 ciple of transparency through—

17 (A) increased and more timely public ac-
18 cess to information regarding trade issues and
19 the activities of international trade institutions;
20 and

21 (B) increased openness of dispute settle-
22 ment proceedings, including under the World
23 Trade Organization.

24 (5) RECIPROCAL TRADE IN AGRICULTURE.—
25 The principal negotiating objective of the United

1 States with respect to agriculture is to obtain com-
2 petitive opportunities for United States exports in
3 foreign markets substantially equivalent to the com-
4 petitive opportunities afforded foreign exports in
5 United States markets and to achieve fairer and
6 more open conditions of trade in bulk and value-
7 added commodities by—

8 (A) reducing or eliminating, by a date cer-
9 tain, tariffs or other charges that decrease mar-
10 ket opportunities for United States exports—

11 (i) giving priority to those products
12 that are subject to significantly higher tar-
13 iffs or subsidy regimes of major producing
14 countries; and

15 (ii) providing reasonable adjustment
16 periods for United States import-sensitive
17 products, in close consultation with the
18 Congress on such products before initiating
19 tariff reduction negotiations;

20 (B) reducing or eliminating subsidies that
21 decrease market opportunities for United States
22 exports or unfairly distort agriculture markets
23 to the detriment of the United States;

24 (C) developing, strengthening, and clarify-
25 ing rules and effective dispute settlement mech-

1 anisms to eliminate practices that unfairly de-
2 crease United States market access opportuni-
3 ties or distort agricultural markets to the det-
4 riment of the United States, particularly with
5 respect to import-sensitive products, includ-
6 ing—

7 (i) unfair or trade-distorting activities
8 of state trading enterprises and other ad-
9 ministrative mechanisms, with emphasis on
10 requiring price transparency in the oper-
11 ation of state trading enterprises and such
12 other mechanisms;

13 (ii) unjustified trade restrictions or
14 commercial requirements affecting new
15 technologies, including biotechnology;

16 (iii) unjustified sanitary or
17 phytosanitary restrictions, including those
18 not based on scientific principles in con-
19 travention of the Uruguay Round Agree-
20 ments;

21 (iv) other unjustified technical bar-
22 riers to trade; and

23 (v) restrictive rules in the administra-
24 tion of tariff rate quotas;

1 (D) improving import relief mechanisms to
2 recognize the unique characteristics of perish-
3 able agriculture;

4 (E) taking into account whether a party to
5 the negotiations has failed to adhere to the pro-
6 visions of already existing trade agreements
7 with the United States or has circumvented ob-
8 ligations under those agreements;

9 (F) taking into account whether a product
10 is subject to market distortions by reason of a
11 failure of a major producing country to adhere
12 to the provisions of already existing trade
13 agreements with the United States or by the
14 circumvention by that country of its obligations
15 under those agreements; and

16 (G) otherwise ensuring that countries that
17 accede to the World Trade Organization have
18 made meaningful market liberalization commit-
19 ments in agriculture.

20 (6) LABOR, THE ENVIRONMENT, AND OTHER
21 MATTERS.—The principal negotiating objective of
22 the United States regarding labor, the environment,
23 and other matters is to address the following aspects
24 of foreign government policies and practices regard-

1 ing labor, the environment, and other matters that
2 are directly related to trade:

3 (A) To ensure that foreign labor, environ-
4 mental, health, or safety policies and practices
5 do not arbitrarily or unjustifiably discriminate
6 or serve as disguised barriers to trade.

7 (B) To ensure that foreign governments do
8 not derogate from or waive existing domestic
9 environmental, health, safety, or labor meas-
10 ures, including measures that deter exploitative
11 child labor, as an encouragement to gain com-
12 petitive advantage in international trade or in-
13 vestment. Nothing in this subparagraph is in-
14 tended to address changes to a country's laws
15 that are consistent with sound macroeconomic
16 development.

17 (7) WTO EXTENDED NEGOTIATIONS.—The
18 principal negotiating objectives of the United States
19 regarding trade in financial services are those set
20 forth in section 135(a) of the Uruguay Round
21 Agreements Act (19 U.S.C. 3555(a)), regarding
22 trade in civil aircraft are those set forth in section
23 135(c) of that Act, and regarding rules of origin are
24 the conclusion of an agreement described in section
25 132 of that Act (19 U.S.C. 3552).

1 (c) INTERNATIONAL ECONOMIC POLICY OBJEC-
2 TIVES.—

3 (1) IN GENERAL.—The President should take
4 into account the relationship between trade agree-
5 ments and other important priorities of the United
6 States and seek to ensure that the trade agreements
7 entered into by the United States complement and
8 reinforce other policy goals. The United States prior-
9 ities in this area include—

10 (A) seeking to ensure that trade and envi-
11 ronmental policies are mutually supportive;

12 (B) seeking to protect and preserve the en-
13 vironment and enhance the international means
14 for doing so, while optimizing the use of the
15 world's resources;

16 (C) promoting respect for worker rights
17 and the rights of children and an understanding
18 of the relationship between trade and worker
19 rights, particularly by working with the Inter-
20 national Labor Organization to encourage the
21 observance and enforcement of core labor
22 standards, including the prohibition on exploita-
23 tive child labor; and

24 (D) supplementing and strengthening
25 standards for protection of intellectual property

1 under conventions administered by international
2 organizations other than the World Trade Or-
3 ganization, expanding these conventions to
4 cover new and emerging technologies, and elimi-
5 nating discrimination and unreasonable excep-
6 tions or preconditions to such protection.

7 (2) APPLICABILITY OF TRADE AUTHORITIES
8 PROCEDURES.—Nothing in this subsection shall be
9 construed to authorize the use of the trade authori-
10 ties procedures described in section 103 to modify
11 United States law.

12 (d) GUIDANCE FOR NEGOTIATORS.—

13 (1) DOMESTIC OBJECTIVES.—In pursuing the
14 negotiating objectives described in subsection (b),
15 the negotiators on behalf of the United States shall
16 take into account United States domestic objectives,
17 including the protection of health and safety, essen-
18 tial security, environmental, consumer, and employ-
19 ment opportunity interests, and the law and regula-
20 tions related thereto.

21 (2) CONSULTATIONS WITH CONGRESSIONAL AD-
22 VISERS AND ENFORCEMENT OF THE TRADE LAWS.—
23 In the course of negotiations conducted under this
24 title, the United States Trade Representative shall—

1 (A) consult closely and on a timely basis
2 with, and keep fully apprised of the negotia-
3 tions, the congressional advisers on trade policy
4 and negotiations appointed under section 161 of
5 the Trade Act of 1974; and

6 (B) preserve the ability of the United
7 States to enforce rigorously its trade laws, in-
8 cluding the antidumping and countervailing
9 duty laws, and avoid agreements which lessen
10 the effectiveness of domestic and international
11 disciplines on unfair trade, especially dumping
12 and subsidies, in order to ensure that United
13 States workers, agricultural producers, and
14 firms can compete fully on fair terms and enjoy
15 the benefits of reciprocal trade concessions.

16 (e) ADHERENCE TO OBLIGATIONS UNDER URUGUAY
17 ROUND AGREEMENTS.—In determining whether to enter
18 into negotiations with a particular country, the President
19 shall take into account the extent to which that country
20 has implemented, or has accelerated the implementation
21 of, its obligations under the Uruguay Round Agreements.

22 **SEC. 103. TRADE AGREEMENTS AUTHORITY.**

23 (a) AGREEMENTS REGARDING TARIFF BARRIERS.—

24 (1) IN GENERAL.—Whenever the President de-
25 termines that one or more existing duties or other

1 import restrictions of any foreign country or the
2 United States are unduly burdening and restricting
3 the foreign trade of the United States and that the
4 purposes, policies, and objectives of this title will be
5 promoted thereby, the President—

6 (A) may enter into trade agreements with
7 foreign countries before—

8 (i) October 1, 2001, or

9 (ii) October 1, 2005, if trade authori-
10 ties procedures are extended under sub-
11 section (c), and

12 (B) may, subject to paragraphs (2) and
13 (3), proclaim—

14 (i) such modification or continuance
15 of any existing duty,

16 (ii) such continuance of existing duty-
17 free or excise treatment, or

18 (iii) such additional duties,
19 as the President determines to be required or
20 appropriate to carry out any such trade agree-
21 ment. The President shall notify the Congress
22 of the President's intention to enter into an
23 agreement under this subsection.

24 (2) LIMITATIONS.—No proclamation may be
25 made under paragraph (1) that—

(A) reduces any rate of duty (other than a rate of duty that does not exceed 5 percent ad valorem on the date of the enactment of this Act) to a rate of duty which is less than 50 percent of the rate of such duty that applies on such date of enactment;

(B) reduces the rate of duty on an article to take effect on a date that is more than 10 years after the first reduction that is proclaimed to carry out a trade agreement with respect to such article; or

(C) increases any rate of duty above the rate that applied on January 1, 1996.

(3) AGGREGATE REDUCTION; EXEMPTION FROM STAGING.—

(A) AGGREGATE REDUCTION.—Except as provided in subparagraph (B), the aggregate reduction in the rate of duty on any article which is in effect on any day pursuant to a trade agreement entered into under paragraph (1) shall not exceed the aggregate reduction which would have been in effect on such day if—

(i) a reduction of 3 percent ad valorem or a reduction of one-tenth of the total reduction, whichever is greater, had taken

1 effect on the effective date of the first re-
2 duction proclaimed under paragraph (1) to
3 carry out such agreement with respect to
4 such article; and

5 (ii) a reduction equal to the amount
6 applicable under clause (i) had taken effect
7 at 1-year intervals after the effective date
8 of such first reduction.

9 (B) EXEMPTION FROM STAGING.—No
10 staging is required under subparagraph (A)
11 with respect to a duty reduction that is pro-
12 claimed under paragraph (1) for an article of a
13 kind that is not produced in the United States.
14 The United States International Trade Com-
15 mission shall advise the President of the iden-
16 tity of articles that may be exempted from stag-
17 ing under this subparagraph.

18 (4) ROUNDING.—If the President determines
19 that such action will simplify the computation of re-
20 ductions under paragraph (3), the President may
21 round an annual reduction by an amount equal to
22 the lesser of—

23 (A) the difference between the reduction
24 without regard to this paragraph and the next
25 lower whole number; or

1 (B) one-half of 1 percent ad valorem.

2 (5) OTHER LIMITATIONS.—A rate of duty re-
3 duction that may not be proclaimed by reason of
4 paragraph (2) may take effect only if a provision au-
5 thorizing such reduction is included within an imple-
6 menting bill provided for under section 105 and that
7 bill is enacted into law.

8 (6) OTHER TARIFF MODIFICATIONS.—Notwith-
9 standing paragraphs (1)(B) and (2) through (5),
10 and subject to the consultation and layover require-
11 ments of section 115 of the Uruguay Round Agree-
12 ments Act, the President may proclaim the modifica-
13 tion of any duty or staged rate reduction of any duty
14 set forth in Schedule XX, as defined in section 2(5)
15 of that Act, if the United States agrees to such
16 modification or staged rate reduction in a negotia-
17 tion for the reciprocal elimination or harmonization
18 of duties under the auspices of the World Trade Or-
19 ganization or as part of an interim agreement lead-
20 ing to the formation of a regional free-trade area.

21 (7) AUTHORITY UNDER URUGUAY ROUND
22 AGREEMENTS ACT NOT AFFECTED.—Nothing in this
23 subsection shall limit the authority provided to the
24 President under section 111(b) of the Uruguay
25 Round Agreements Act (19 U.S.C. 3521(b)).

1 (b) AGREEMENTS REGARDING TARIFF AND NON-
2 TARIFF BARRIERS.—

3 (1) IN GENERAL.—(A) Whenever the President
4 determines that—

5 (i) one or more existing duties or any other
6 import restriction of any foreign country or the
7 United States or any other barrier to, or other
8 distortion of, international trade unduly bur-
9 dens or restricts the foreign trade of the United
10 States or adversely affects the United States
11 economy, or

12 (ii) the imposition of any such barrier or
13 distortion is likely to result in such a burden,
14 restriction, or effect,

15 and that the purposes, policies, and objectives of this
16 title will be promoted thereby, the President may
17 enter into a trade agreement described in subpara-
18 graph (B) during the period described in subpara-
19 graph (C).

20 (B) The President may enter into a trade
21 agreement under subparagraph (A) with foreign
22 countries providing for—

23 (i) the reduction or elimination of a duty,
24 restriction, barrier, or other distortion described
25 in subparagraph (A), or

1 (ii) the prohibition of, or limitation on the
2 imposition of, such barrier or other distortion.

3 (C) The President may enter into a trade
4 agreement under this paragraph before—

5 (i) October 1, 2001, or

6 (ii) October 1, 2005, if trade authorities
7 procedures are extended under subsection (c).

8 (2) CONDITIONS.—A trade agreement may be
9 entered into under this subsection only if such
10 agreement makes progress in meeting the applicable
11 objectives described in section 102 and the President
12 satisfies the conditions set forth in section 104.

13 (3) BILLS QUALIFYING FOR TRADE AUTHORI-
14 TIES PROCEDURES.—The provisions of section 151
15 of the Trade Act of 1974 (in this title referred to
16 as “trade authorities procedures”) apply to a bill of
17 either House of Congress consisting only of—

18 (A) a provision approving a trade agree-
19 ment entered into under this subsection and ap-
20 proving the statement of administrative action,
21 if any, proposed to implement such trade agree-
22 ment,

23 (B) provisions directly related to the prin-
24 cipal trade negotiating objectives set forth in
25 section 102(b) achieved in such trade agree-

ment, if those provisions are necessary for the operation or implementation of United States rights or obligations under such trade agreement,

(C) provisions that define and clarify, or provisions that are related to, the operation or effect of the provisions of the trade agreement,

(D) provisions to provide adjustment assistance to workers and firms adversely affected by trade, and

(E) provisions necessary for purposes of complying with section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 in implementing the trade agreement,

to the same extent as such section 151 applies to implementing bills under that section. A bill to which this subparagraph applies shall hereafter in this title be referred to as an “implementing bill”.

(c) EXTENSION DISAPPROVAL PROCESS FOR CONGRESSIONAL TRADE AUTHORITIES PROCEDURES.—

(1) IN GENERAL.—Except as provided in section 105(b)—

(A) the trade authorities procedures apply to implementing bills submitted with respect to

1 trade agreements entered into under subsection
2 (b) before October 1, 2001; and

3 (B) the trade authorities procedures shall
4 be extended to implementing bills submitted
5 with respect to trade agreements entered into
6 under subsection (b) after September 30, 2001,
7 and before October 1, 2005, if (and only if)—

8 (i) the President requests such exten-
9 sion under paragraph (2); and

10 (ii) neither House of the Congress
11 adopts an extension disapproval resolution
12 under paragraph (5) before October 1,
13 2001.

14 (2) REPORT TO CONGRESS BY THE PRESI-
15 DENT.—If the President is of the opinion that the
16 trade authorities procedures should be extended to
17 implementing bills described in paragraph (1)(B),
18 the President shall submit to the Congress, not later
19 than July 1, 2001, a written report that contains a
20 request for such extension, together with—

21 (A) a description of all trade agreements
22 that have been negotiated under subsection (b)
23 and the anticipated schedule for submitting
24 such agreements to the Congress for approval;

1 (B) a description of the progress that has
2 been made in negotiations to achieve the pur-
3 poses, policies, and objectives of this title, and
4 a statement that such progress justifies the
5 continuation of negotiations; and

6 (C) a statement of the reasons why the ex-
7 tension is needed to complete the negotiations.

8 (3) REPORT TO CONGRESS BY THE ADVISORY
9 COMMITTEE.—The President shall promptly inform
10 the Advisory Committee for Trade Policy and Nego-
11 tiations established under section 135 of the Trade
12 Act of 1974 (19 U.S.C. 2155) of the President’s de-
13 cision to submit a report to the Congress under
14 paragraph (2). The Advisory Committee shall submit
15 to the Congress as soon as practicable, but not later
16 than August 1, 2001, a written report that con-
17 tains—

18 (A) its views regarding the progress that
19 has been made in negotiations to achieve the
20 purposes, policies, and objectives of this title;
21 and

22 (B) a statement of its views, and the rea-
23 sons therefor, regarding whether the extension
24 requested under paragraph (2) should be ap-
25 proved or disapproved.

1 (4) REPORTS MAY BE CLASSIFIED.—The re-
2 ports submitted to the Congress under paragraphs
3 (2) and (3), or any portion of such reports, may be
4 classified to the extent the President determines ap-
5 propriate.

6 (5) EXTENSION DISAPPROVAL RESOLUTIONS.—

7 (A) For purposes of paragraph (1), the term “exten-
8 sion disapproval resolution” means a resolution of
9 either House of the Congress, the sole matter after
10 the resolving clause of which is as follows: “That the
11 _____ disapproves the request of the President for
12 the extension, under section 103(c)(1)(B)(i) of the
13 Reciprocal Trade Agreement Authorities Act of
14 1997, of the provisions of section 151 of the Trade
15 Act of 1974 to any implementing bill submitted with
16 respect to any trade agreement entered into under
17 section 103(b) of the Reciprocal Trade Agreement
18 Authorities Act of 1997 after September 30, 2001.”,
19 with the blank space being filled with the name of
20 the resolving House of the Congress.

21 (B) Extension disapproval resolutions—

22 (i) may be introduced in either House of
23 the Congress by any member of such House;
24 and

1 (ii) shall be referred, in the House of Rep-
2 resentatives, to the Committee on Ways and
3 Means and, in addition, to the Committee on
4 Rules.

5 (C) The provisions of sections 152(d) and (e) of
6 the Trade Act of 1974 (19 U.S.C. 2192(d) and (e))
7 (relating to the floor consideration of certain resolu-
8 tions in the House and Senate) apply to extension
9 disapproval resolutions.

10 (D) It is not in order for—

11 (i) the Senate to consider any extension
12 disapproval resolution not reported by the Com-
13 mittee on Finance;

14 (ii) the House of Representatives to con-
15 sider any extension disapproval resolution not
16 reported by the Committee on Ways and Means
17 and, in addition, by the Committee on Rules; or

18 (iii) either House of the Congress to con-
19 sider an extension disapproval resolution after
20 September 30, 2001.

21 **SEC. 104. CONSULTATIONS.**

22 (a) NOTICE AND CONSULTATION BEFORE NEGOTIA-
23 TION.—

1 (1) IN GENERAL.—The President, with respect
2 to any agreement that is subject to the provisions of
3 section 103(b), shall—

4 (A) provide, at least 90 calendar days be-
5 fore initiating negotiations, written notice to the
6 Congress of the President’s intention to enter
7 into the negotiations and set forth therein the
8 date the President intends to initiate such nego-
9 tiations, the specific United States objectives
10 for the negotiations, and whether the President
11 intends to seek an agreement, or changes to an
12 existing agreement; and

13 (B) before and after submission of the no-
14 tice, consult regarding the negotiations with the
15 Committee on Finance of the Senate and the
16 Committee on Ways and Means of the House of
17 Representatives and such other committees of
18 the House and Senate as the President deems
19 appropriate.

20 (2) CONSULTATIONS REGARDING NEGOTIA-
21 TIONS ON CERTAIN OBJECTIVES.—

22 (A) CONSULTATION.—In addition to the
23 requirements set forth in paragraph (1), before
24 initiating negotiations with respect to a trade
25 agreement subject to section 103(b) where the

1 subject matter of such negotiations is directly
2 related to the principal trade negotiating objec-
3 tives set forth in section 102(b)(1) or section
4 102(b)(6), the President shall consult with the
5 Committee on Ways and Means of the House of
6 Representatives and the Committee on Finance
7 of the Senate and with the appropriate advisory
8 groups established under section 135 of the
9 Trade Act of 1974 with respect to such negotia-
10 tions.

11 (B) SCOPE.—The consultations described
12 in subparagraph (A) shall concern the manner
13 in which the negotiation will address the objec-
14 tive of reducing or eliminating a specific tariff
15 or nontariff barrier or foreign government pol-
16 icy or practice directly related to trade that de-
17 creases market opportunities for United States
18 exports or otherwise distorts United States
19 trade.

20 (3) NEGOTIATIONS REGARDING AGRI-
21 CULTURE.—Before initiating negotiations the sub-
22 ject matter of which is directly related to the subject
23 matter under section 102(b)(5)(A) with any country,
24 the President shall assess whether United States
25 tariffs on agriculture products that were bound

1 under the Uruguay Round Agreements are lower
2 than the tariffs bound by that country. In addition,
3 the President shall consider whether the tariff levels
4 bound and applied throughout the world with respect
5 to imports from the United States are higher than
6 United States tariffs and whether the negotiation
7 provides an opportunity to address any such dispar-
8 ity. The President shall consult with the Committee
9 on Ways and Means and the Committee on Agri-
10 culture of the House of Representatives and the
11 Committee on Finance and the Committee on Agri-
12 culture, Nutrition, and Forestry of the Senate con-
13 cerning the results of the assessment, whether it is
14 appropriate for the United States to agree to further
15 tariff reductions based on the conclusions reached in
16 the assessment, and how all applicable negotiating
17 objectives will be met.

18 (b) CONSULTATION WITH CONGRESS BEFORE
19 AGREEMENTS ENTERED INTO.—

20 (1) CONSULTATION.—Before entering into any
21 trade agreement under section 103(b), the President
22 shall consult with—

23 (A) the Committee on Ways and Means of
24 the House of Representatives and the Commit-
25 tee on Finance of the Senate; and

1 (B) each other committee of the House
2 and the Senate, and each joint committee of the
3 Congress, which has jurisdiction over legislation
4 involving subject matters which would be af-
5 fected by the trade agreement.

6 (2) SCOPE.—The consultation described in
7 paragraph (1) shall include consultation with respect
8 to—

9 (A) the nature of the agreement;

10 (B) how and to what extent the agreement
11 will achieve the applicable purposes, policies,
12 and objectives of this title; and

13 (C) the implementation of the agreement
14 under section 105, including the general effect
15 of the agreement on existing laws.

16 (c) ADVISORY COMMITTEE REPORTS.—The report
17 required under section 135(e)(1) of the Trade Act of 1974
18 regarding any trade agreement entered into under section
19 103(a) or (b) of this Act shall be provided to the Presi-
20 dent, the Congress, and the United States Trade Rep-
21 resentative not later than 30 days after the date on which
22 the President notifies the Congress under section
23 103(a)(1) or 105(a)(1)(A) of the President's intention to
24 enter into the agreement.

1 **SEC. 105. IMPLEMENTATION OF TRADE AGREEMENTS.**

2 (a) IN GENERAL.—

3 (1) NOTIFICATION AND SUBMISSION.—Any
4 agreement entered into under section 103(b) shall
5 enter into force with respect to the United States if
6 (and only if)—

7 (A) the President, at least 90 calendar
8 days before the day on which the President en-
9 ters into the trade agreement, notifies the
10 House of Representatives and the Senate of the
11 President's intention to enter into the agree-
12 ment, and promptly thereafter publishes notice
13 of such intention in the Federal Register;

14 (B) within 60 days after entering into the
15 agreement, the President submits to the Con-
16 gress a description of those changes to existing
17 laws that the President considers would be re-
18 quired in order to bring the United States into
19 compliance with the agreement;

20 (C) after entering into the agreement, the
21 President submits a copy of the final legal text
22 of the agreement, together with—

23 (i) a draft of an implementing bill de-
24 scribed in section 103(b)(3);

1 (ii) a statement of any administrative
2 action proposed to implement the trade
3 agreement; and

4 (iii) the supporting information de-
5 scribed in paragraph (2); and

6 (D) the implementing bill is enacted into
7 law.

8 (2) SUPPORTING INFORMATION.—The support-
9 ing information required under paragraph (1)(C)(iii)
10 consists of—

11 (A) an explanation as to how the imple-
12 menting bill and proposed administrative action
13 will change or affect existing law; and

14 (B) a statement—

15 (i) asserting that the agreement
16 makes progress in achieving the applicable
17 purposes, policies, and objectives of this
18 title;

19 (ii) setting forth the reasons of the
20 President regarding—

21 (I) how and to what extent the
22 agreement makes progress in achiev-
23 ing the applicable purposes, policies,
24 and objectives referred to in clause (i);

1 (II) whether and how the agree-
2 ment changes provisions of an agree-
3 ment previously negotiated;

4 (III) how the agreement serves
5 the interests of United States com-
6 merce; and

7 (IV) how the implementing bill
8 meets the standards set forth in sec-
9 tion 103(b)(3).

10 (3) RECIPROCAL BENEFITS.—In order to en-
11 sure that a foreign country that is not a party to a
12 trade agreement entered into under section 103(b)
13 does not receive benefits under the agreement unless
14 the country is also subject to the obligations under
15 the agreement, the implementing bill submitted with
16 respect to the agreement shall provide that the bene-
17 fits and obligations under the agreement apply only
18 to the parties to the agreement, if such application
19 is consistent with the terms of the agreement. The
20 implementing bill may also provide that the benefits
21 and obligations under the agreement do not apply
22 uniformly to all parties to the agreement, if such ap-
23 plication is consistent with the terms of the agree-
24 ment.

1 (b) LIMITATIONS ON TRADE AUTHORITIES PROCE-
2 DURES.—

3 (1) FOR LACK OF CONSULTATIONS.—

4 (A) IN GENERAL.—The trade authorities
5 procedures shall not apply to any implementing
6 bill submitted with respect to a trade agreement
7 entered into under section 103(b) if during the
8 60-day period beginning on the date that one
9 House of Congress agrees to a procedural dis-
10 approval resolution for lack of notice or con-
11 sultations with respect to that trade agreement,
12 the other House separately agrees to a proce-
13 dural disapproval resolution with respect to that
14 agreement.

15 (B) PROCEDURAL DISAPPROVAL RESOLU-
16 TION.—For purposes of this paragraph, the
17 term “procedural disapproval resolution” means
18 a resolution of either House of Congress, the
19 sole matter after the resolving clause of which
20 is as follows: “That the President has failed or
21 refused to notify or consult (as the case may
22 be) with Congress in accordance with section
23 104 or 105 of the Reciprocal Trade Agreement
24 Authorities Act of 1997 on negotiations with re-
25 spect to, or entering into, a trade agreement to

1 which section 103(b) of that Act applies and,
2 therefore, the provisions of section 151 of the
3 Trade Act of 1974 shall not apply to any imple-
4 menting bill submitted with respect to that
5 trade agreement.”.

6 (2) PROCEDURES FOR CONSIDERING RESOLU-
7 TIONS.—(A) Procedural disapproval resolutions—

8 (i) in the House of Representatives—

9 (I) shall be introduced by the chair-
10 man or ranking minority member of the
11 Committee on Ways and Means or the
12 chairman or ranking minority member of
13 the Committee on Rules;

14 (II) shall be referred to the Commit-
15 tee on Ways and Means and, in addition,
16 to the Committee on Rules; and

17 (III) may not be amended by either
18 Committee; and

19 (ii) in the Senate shall be original resolu-
20 tions of the Committee on Finance.

21 (B) The provisions of section 152(d) and (e) of
22 the Trade Act of 1974 (19 U.S.C. 2192(d) and (e))
23 (relating to the floor consideration of certain resolu-
24 tions in the House and Senate) apply to procedural
25 disapproval resolutions.

1 (C) It is not in order for the House of Rep-
2 representatives to consider any procedural disapproval
3 resolution not reported by the Committee on Ways
4 and Means and, in addition, by the Committee on
5 Rules.

6 (c) WRITTEN REPORT AND CERTIFICATION BY THE
7 PRESIDENT.—The trade authorities procedures shall not
8 apply to any implementing bill submitted with respect to
9 a free trade agreement entered into under section 103(b)
10 unless the President submits to the Congress, by no later
11 than the date on which the final text of the agreement
12 is submitted under subsection (a)(1), a written report on
13 the status of the child labor laws of the country or coun-
14 tries that are parties to the agreement, and a certification
15 that such country or countries have—

16 (1) adequate child labor laws; and

17 (2) effective mechanisms and penalties to en-
18 force those laws.

19 In determining the adequacy of the child labor laws of a
20 country or countries for purposes of making the certifi-
21 cation under this subsection, the President shall take into
22 account United States law and practice and relevant
23 standards of the International Labor Organization.

1 (d) RULES OF HOUSE OF REPRESENTATIVES AND
2 SENATE.—Subsection (b) of this section and section
3 103(c) are enacted by the Congress—

4 (1) as an exercise of the rulemaking power of
5 the House of Representatives and the Senate, re-
6 spectively, and as such are deemed a part of the
7 rules of each House, respectively, and such proce-
8 dures supersede other rules only to the extent that
9 they are inconsistent with such other rules; and

10 (2) with the full recognition of the constitu-
11 tional right of either House to change the rules (so
12 far as relating to the procedures of that House) at
13 any time, in the same manner, and to the same ex-
14 tent as any other rule of that House.

15 **SEC. 106. TREATMENT OF CERTAIN TRADE AGREEMENTS.**

16 (a) CERTAIN AGREEMENTS.—Notwithstanding sec-
17 tion 103(b)(2), if an agreement to which section 103(b)
18 applies—

19 (1) is entered into under the auspices of the
20 World Trade Organization regarding trade in infor-
21 mation technology products,

22 (2) is entered into under the auspices of the
23 World Trade Organization regarding extended nego-
24 tiations on financial services as described in section

1 135(a) of the Uruguay Round Agreements Act (19
2 U.S.C. 3555(a)),

3 (3) is entered into under the auspices of the
4 World Trade Organization regarding the rules of ori-
5 gin work program described in Article 9 of the
6 Agreement on Rules of Origin referred to in section
7 101(d)(10) of the Uruguay Round Agreements Act
8 (19 U.S.C. 3511(d)(10)), or

9 (4) is entered into with Chile,
10 and results from negotiations that were commenced before
11 the date of the enactment of this Act, subsection (b) shall
12 apply.

13 (b) TREATMENT OF AGREEMENTS.—In the case of
14 any agreement to which subsection (a) applies—

15 (1) the applicability of the trade authorities
16 procedures to implementing bills shall be determined
17 without regard to the requirements of section
18 104(a), and any procedural disapproval resolution
19 under section 105(b)(1)(B) shall not be in order on
20 the basis of a failure or refusal to comply with the
21 provisions of section 104(a); and

22 (2) the President shall consult regarding the
23 negotiations described in subsection (a) with the
24 committees described in section 104(a)(1)(B) as
25 soon as feasible after the enactment of this Act.

1 **SEC. 107. CHIEF AGRICULTURAL NEGOTIATOR.**

2 (a) ESTABLISHMENT OF POSITION.—There shall be
3 in the Office of the United States Trade Representative
4 a Chief Agricultural Negotiator, who shall be appointed
5 by the President, by and with the advice and consent of
6 the Senate. The Chief Agricultural Negotiator shall hold
7 office at the pleasure of the President and shall have the
8 rank of Ambassador.

9 (b) FUNCTIONS.—The Chief Agricultural Negotiator
10 shall have as his or her primary function the conduct of
11 trade negotiations relating to agricultural commodities
12 and shall have such other functions as the United States
13 Trade Representative may direct.

14 (c) COMPENSATION.—The Chief Agricultural Nego-
15 tiator shall be paid at the highest rate of basic pay payable
16 to a member of the Senior Executive Service.

17 **SEC. 108. CONFORMING AMENDMENTS.**

18 (a) IN GENERAL.—Title I of the Trade Act of 1974
19 (19 U.S.C. 2111 et seq.) is amended as follows:

20 (1) IMPLEMENTING BILL.—

21 (A) Section 151(b)(1) (19 U.S.C.
22 2191(b)(1)) is amended by striking “section
23 1103(a)(1) of the Omnibus Trade and Competi-
24 tiveness Act of 1988, or section 282 of the Uru-
25 guay Round Agreements Act” and inserting
26 “section 282 of the Uruguay Round Agree-

ments Act, or section 105(a)(1) of the Reciprocal Trade Agreement Authorities Act of 1998”.

(B) Section 151(c)(1) (19 U.S.C. 2191(c)(1)) is amended by striking “or section 282 of the Uruguay Round Agreements Act” and inserting “, section 282 of the Uruguay Round Agreements Act, or section 105(a)(1) of the Reciprocal Trade Agreement Authorities Act of 1998”.

(2) ADVICE FROM INTERNATIONAL TRADE COMMISSION.—Section 131 (19 U.S.C. 2151) is amended—

(A) in subsection (a)—

(i) in paragraph (1), by striking “section 123 of this Act or section 1102 (a) or (c) of the Omnibus Trade and Competitiveness Act of 1988,” and inserting “section 123 of this Act or section 103(a) or (b) of the Reciprocal Trade Agreement Authorities Act of 1998,”; and

(ii) in paragraph (2), by striking “section 1102 (b) or (c) of the Omnibus Trade and Competitiveness Act of 1988” and inserting “section 103(b) of the Reciprocal

1 Trade Agreement Authorities Act of
2 1998”;

3 (B) in subsection (b), by striking “section
4 1102(a)(3)(A)” and inserting “section
5 103(a)(3)(A) of the Reciprocal Trade Agree-
6 ment Authorities Act of 1998” before the end
7 period; and

8 (C) in subsection (c), by striking “section
9 1102 of the Omnibus Trade and Competitive-
10 ness Act of 1988,” and inserting “section 103
11 of the Reciprocal Trade Agreement Authorities
12 Act of 1998,”.

13 (3) HEARINGS AND ADVICE.—Sections 132,
14 133(a), and 134(a) (19 U.S.C. 2152, 2153(a), and
15 2154(a)) are each amended by striking “section
16 1102 of the Omnibus Trade and Competitiveness
17 Act of 1988,” each place it appears and inserting
18 “section 103 of the Reciprocal Trade Agreement Au-
19 thorities Act of 1998,”.

20 (4) PREREQUISITES FOR OFFERS.—Section
21 134(b) (19 U.S.C. 2154(b)) is amended by striking
22 “section 1102 of the Omnibus Trade and Competi-
23 tiveness Act of 1988” and inserting “section 103 of
24 the Reciprocal Trade Agreement Authorities Act of
25 1998”.

1 (5) ADVICE FROM PRIVATE AND PUBLIC SEC-
2 TORS.—Section 135 (19 U.S.C. 2155) is amended—

3 (A) in subsection (a)(1)(A), by striking
4 “section 1102 of the Omnibus Trade and Com-
5 petitiveness Act of 1988” and inserting “section
6 103 of the Reciprocal Trade Agreement Au-
7 thorities Act of 1998”;

8 (B) in subsection (e)(1)—

9 (i) by striking “section 1102 of the
10 Omnibus Trade and Competitiveness Act
11 of 1988” each place it appears and insert-
12 ing “section 103 of the Reciprocal Trade
13 Agreement Authorities Act of 1998”; and

14 (ii) by striking “section 1103(a)(1)(A)
15 of such Act of 1988” and inserting “sec-
16 tion 105(a)(1)(A) of the Reciprocal Trade
17 Agreement Authorities Act of 1998”; and

18 (C) in subsection (e)(2), by striking “sec-
19 tion 1101 of the Omnibus Trade and Competi-
20 tiveness Act of 1988” and inserting “section
21 102 of the Reciprocal Trade Agreement Au-
22 thorities Act of 1998”.

23 (6) TRANSMISSION OF AGREEMENTS TO CON-
24 GRESS.—Section 162(a) (19 U.S.C. 2212(a)) is
25 amended by striking “or under section 1102 of the

1 Omnibus Trade and Competitiveness Act of 1988”
 2 and inserting “or under section 103 of the Recip-
 3 rocal Trade Agreement Authorities Act of 1998”.

4 (b) APPLICATION OF CERTAIN PROVISIONS.—For
 5 purposes of applying sections 125, 126, and 127 of the
 6 Trade Act of 1974 (19 U.S.C. 2135, 2136(a), and
 7 2137)—

8 (1) any trade agreement entered into under sec-
 9 tion 103 shall be treated as an agreement entered
 10 into under section 101 or 102, as appropriate, of the
 11 Trade Act of 1974 (19 U.S.C. 2111 or 2112); and

12 (2) any proclamation or Executive order issued
 13 pursuant to a trade agreement entered into under
 14 section 103 shall be treated as a proclamation or
 15 Executive order issued pursuant to a trade agree-
 16 ment entered into under section 102 of the Trade
 17 Act of 1974.

18 **SEC. 109. DEFINITIONS.**

19 In this title:

20 (1) UNITED STATES PERSON.—The term
 21 “United States person” means—

22 (A) a United States citizen;

23 (B) a partnership, corporation, or other
 24 legal entity organized under the laws of the
 25 United States; and

1 (C) a partnership, corporation, or other
 2 legal entity that is organized under the laws of
 3 a foreign country and is controlled by entities
 4 described in subparagraph (B) or United States
 5 citizens, or both.

6 (2) URUGUAY ROUND AGREEMENTS.—The term
 7 “Uruguay Round Agreements” has the meaning
 8 given that term in section 2(7) of the Uruguay
 9 Round Agreements Act (19 U.S.C. 3501(7)).

10 (3) WORLD TRADE ORGANIZATION.—The term
 11 “World Trade Organization” means the organization
 12 established pursuant to the WTO Agreement.

13 (4) WTO AGREEMENT.—The term “WTO
 14 Agreement” means the Agreement Establishing the
 15 World Trade Organization entered into on April 15,
 16 1994.

17 **TITLE II—TRADE ADJUSTMENT** 18 **ASSISTANCE**

19 **SEC. 201. ADJUSTMENT ASSISTANCE FOR WORKERS.**

20 Section 245 of the Trade Act of 1974 (19 U.S.C.
 21 2317) is amended—

22 (1) in subsection (a) by striking “1993” and all
 23 that follows through “1998” and inserting “1998,
 24 1999, and 2000”; and

1 (2) in subsection (b) by striking “1994” and all
2 that follows through “1998” and inserting “1998,
3 1999, and 2000”.

4 **SEC. 202. ADJUSTMENT ASSISTANCE FOR FIRMS.**

5 Section 256(b) of the Trade Act of 1974 (19 U.S.C.
6 2346(b)) is amended by striking “1993” and all that fol-
7 lows through “1998” and inserting “1998, 1999, and
8 2000,”.

9 **SEC. 203. GENERAL ACCOUNTING OFFICE REPORT.**

10 Section 280(a) of the Trade Act of 1974 (19 U.S.C.
11 2391(a)) is amended—

12 (1) by striking “2, 3, and 4” and inserting “2
13 and 3”; and

14 (2) by striking “January 31, 1980” and insert-
15 ing “October 1, 1999”.

16 **SEC. 204. TERMINATION.**

17 Section 285(c) of the Trade Act of 1974 (19 U.S.C.
18 2271 note) is amended in paragraphs (1) and (2)(A)(i)
19 by striking “1998” and inserting “2000”.

20 **SEC. 205. EFFECTIVE DATE.**

21 The amendments made by this title take effect on the
22 date of the enactment of this Act.

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